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Medicaid Spend-down

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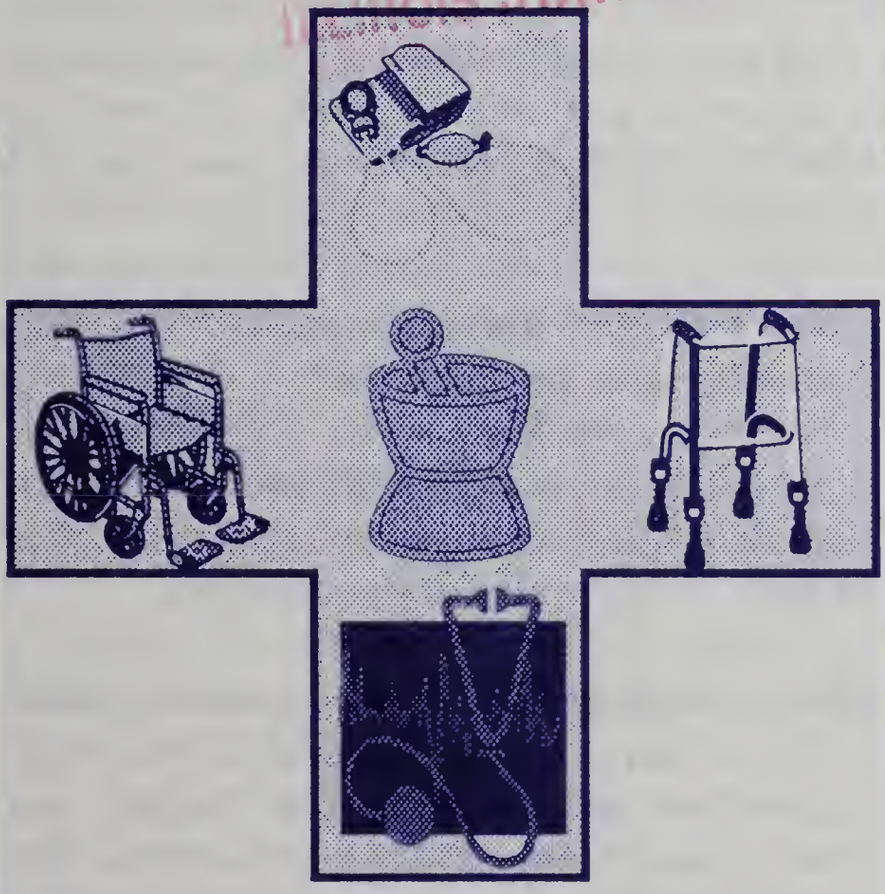


Illinois Department of Human Services

The spend-down program

This program lets eligible people get a medical card to help pay for medical care. To get a medical card, you need bills or receipts for medical care, drugs or supplies in an amount called your "spend-down." This monthly spend-down amount works like an insurance deductible—that is, Medicaid will pay for medical care when you can show that you owe or have paid medical bills in the amount of your monthly spend-down.

How much is your spend-down?

The amount of your monthly spend-down depends on your income and assets. Your local Department of Human Services (DHS) office will send you a separate notice telling you the amount of your monthly spend-down and how this amount was figured.

What is the earliest month your Medicaid can begin?

When you first apply for a medical card, you can have Medicaid pay for covered medical care in the three months before you applied, if you met your monthly spend-down for those months. *FOR EXAMPLE:* You apply for Medicaid in September. You can ask Medicaid to pay bills for medical care you got in June, July and August, if you met your spend-down for those months.

How to meet your spend-down

You meet your monthly spend-down by showing your DHS caseworker unpaid medical bills or receipts for payment of medical bills, equal to your spend-down amount.

What kinds of medical expenses can be used to meet spend-down?

Bills or receipts for medical services or supplies can be used to meet your spend-down. These include bills or receipts for:

- Doctor services
- Hospital services
- Nursing home services
- Clinic services
- Dentist services
- Podiatrist services
- Chiropractor services
- Medicines and medical supplies and equipment that are prescribed by your doctor
- Eyeglasses
- Medical or personal care in your home
- Health insurance premiums, including Medicare Part B premiums
- Transportation to and from medical care; or
- Any co-payments or deductibles on your medical care.

Do you have to pay medical bills to use them to meet your spend-down?

No. Unpaid medical bills also count.

How old can medical bills or receipts be if you want to use them to help meet spend-down?

There are different rules for unpaid bills and for receipts for payment of bills.

Unpaid bills

Unpaid medical bills can be used to meet spend-down, no matter how long ago you got the medical care or supplies, so long as you got the bill no more than six months before the month you apply for Medicaid.

FOR EXAMPLE: Maybe you never paid your doctor for care you got in 1993. If he sends another bill now for the 1993 care, you can use this bill toward your monthly spend-down in any of the next six months.

If you got a bill more than six months ago, and you want to use the bill for spend-down, ask the doctor, hospital or other medical provider to give you a new bill.

Receipts (paid bills)

A receipt shows that a bill has been paid. A receipt can be used to meet spend-down for six months after you make the payment.

FOR EXAMPLE: If you pay for medicine in January and get a receipt for it, you can use the receipt to help meet the spend-down for January, or for any month through July.

Whose medical bills can you use?

You can use medical bills for yourself and for all people for whom you are legally responsible—your husband, wife and minor children (under 18) who are living with you.

What about medical bills someone else has paid?

Sometimes an adult son or daughter will pay a medical bill for a parent even though the son or daughter has no legal duty to pay. Sometimes even a friend will pay a bill. If someone with no legal duty to pay a medical bill for you pays that bill, you can count that bill toward your spend-down if:

- The payment was made no more than six months ago, and
- The person who paid the bill wants to be repaid.

Medicaid will not pay back the person who pays this medical bill for you, but it will count the bill toward your spend-down.

Can you use bills or receipts you already used to meet your spend-down?

No. You can only use the charges for a medical service or supply once to meet spend-down. If you used an unpaid bill to meet your spend-down in one month, you cannot use a receipt for payment of that bill in a later month.

FOR EXAMPLE: You get a $200 hospital bill on July 3. You use the bill to meet your July spend-down of $200, and you get a medical card for the rest of July. You pay the $200 hospital bill in September. You cannot use the $200 payment to meet your spend-down.

If you used part of a bill for your spend-down in one month, and Medicaid did not pay the rest of that bill, you can use the rest of that bill in another month. If you used part of a receipt in one month, you can use the rest of the receipt in any month, up to six months after you made the payment.

FOR EXAMPLE: You see your doctor in July. He bills you $50. Your spend-down is $25. If you do not want Medicaid to pay part of the doctor's bill, you can use the $50 bill to meet your spend-down for two months.

What if your bills are more than your monthly spend-down?

If the bills you show your DHS caseworker are more than your spend-down, you have to decide what to do. You can ask Medicaid to pay the bills that are over your monthly spend-down amount, or you can use the amount over your monthly spend-down to meet your spend-down in a later month. You must decide if you want the bill paid or you want to use it to meet spend-down in a later month.

What if your bills and receipts are less than your monthly spend-down?

If the bills and receipts are less than your monthly spend-down, you can use them with other bills and receipts you get to meet your spend-down in a later month.

FOR EXAMPLE: Your spend-down is $75. In June, you pay your Medicare premium of $46.10. You have no other bills or receipts to use to meet your June spend-down. You cannot get a medical card for June. In July, you pay your Medicare premium of $46.10. You can add your June and July Medicare premiums together to meet your July spend-down. Because premiums add up to $92.20, you have met your $75 July spend-down and have $17.20 to credit toward spend-down in a later month.

How to prove you have met your spend-down

You have to show your caseworker proof that you have met your spend-down. Your proof can be medical bills, receipts, cancelled checks, money orders or other statements from your doctor, hospital, clinic, drugstore or others who have given you medical care.

Your proof must show (1) the type of medical care, drugs or supplies; (2) who gave the care; (3) who got the care; (4) the date the care was given; (5) the cost; and (6) the date of the bill or receipt.

What to do when you meet your spend-down

What do you do with your medical bills?

When you have bills or receipts equal to your monthly spend-down, take them to your caseworker. If you ask, your caseworker will give you a written listing of the bills or receipts you bring and the date you bring them in.

What month do you want your medical card to cover?

When you bring in your medical bills, tell your caseworker which month you want the medical card to cover. Unless you tell your caseworker to use your medical bills for a different month, your bills will be used to give you a medical card for the first month in which your bills and receipts add up to your spend-down.

Sometimes you may not want a medical card for the month your bills add up to your spend-down. Instead, you will want to use those bills to get a medical card in a later month. This could happen when you do not meet your spend-down until late in a month and would rather have a medical card for the whole of the next month. Remember, when you bring in your bills, you must tell your caseworker for which month you want a medical card.

When do you become eligible for a medical card?

You become eligible on the day in the month that your medical bills and receipts show that you meet your spend-down. Depending on the amount of bills and receipts you give your caseworker, you may have eligibility for part of a month, one whole month or many months.

FOR EXAMPLE: Your spend-down is $10. You pay $5 for medicine on July 14 and your doctor bills you $25 when you see her on July 18. You have met your spend-down on July 18. If you want Medicaid for July, Medicaid will pay for part of your doctor bill, and for medical care you got after you saw the doctor July 18.

When will DHS decide if you have met your spend-down?

Your caseworker has two working days after you bring in your bills and receipts to decide if you have met your spend-down and to send you a notice of the decision.

How soon will you get your medical card?

If you have met your spend-down, your caseworker will have a regular medical card sent to your home in about seven days. This card will be good for the rest of the month in which you have met your spend-down.

What if you need a medical card right away?

If you need a medical card before your regular card is sent, tell your caseworker when you bring in your bills. If you meet your spend-down, your caseworker can have a temporary medical card ready in two working days. You can pick it up or have it sent to you.

What to remember to tell your caseworker:

- Which month you want a medical card;
- If you need a temporary medical card right away; and
- If you want Medicaid to pay your unpaid medical bills, or if you want to use the bills to meet spend-down in a later month.

Payment of your medical bills by Medicaid

Which bills will Medicaid pay?

Medicaid will pay for any medical care covered by the Illinois Medicaid Program during the time you have a medical card or temporary medical card.

Medicaid will not pay for:

- Medical care not covered by the Illinois Medicaid Program;
- Any bills for medical care when you were not eligible for Medicaid;
- Any bills for medical care in a month you did not meet your spend-down; and
- The medical bills used to meet your spend-down. If you used part of a bill to meet your spend-down, Medicaid will not pay that part.

What do you have to do for Medicaid to pay medical bills?

Make sure whoever gives you medical care or supplies accepts payment from Medicaid and sees your medical card or your temporary medical card.

Reapplication

After your case has been in enrollment status for six months, it will be reviewed monthly to see if you have met your spend-down in one of the last three months. If not, your case will be cancelled. If your case is cancelled for this reason, you will receive a notice in the mail with an application. If you need medical assistance in the future, you must reapply.

You can appeal

If your caseworker does not follow these rules, you can file an appeal at your DHS office. You can appeal if DHS delays deciding on your application or if your caseworker delays deciding if your bills meet spend-down.

If you think DHS made a mistake, you can appeal its decision (1) denying you a medical card; (2) deciding what months you may get Medicaid; (3) deciding what bills Medicaid will pay; (4) deciding the amount of your spend-down; or (5) deciding you have not met your spend-down. If you appeal any of these decisions, you must appeal within 60 days after you receive written notice from DHS.

How to appeal

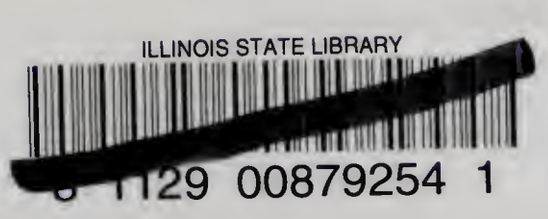
You can appeal and ask for a special meeting called a hearing. Your local office can give you more information about your right to appeal and receive a fair hearing. Your local office can provide you with an appeal form and will help you fill it out, if you wish. At the hearing, you may represent yourself or be represented by a lawyer, relative or friend.

Where to get legal help

To apply for free legal assistance about your rights, consult your local telephone directory for the number of the nearest legal services office:

- In the city of Chicago — Legal Assistance Foundation of Chicago;
- In Cook County outside the city of Chicago — Cook County Legal Assistance Foundation, Inc.;
- In northern Illinois — Prairie State Legal Services or West Central Illinois Legal Assistance;
- In southern Illinois — Land of Lincoln Legal Assistance Foundation, Inc.

(Persons using a teletypewriter (TTY) can call the Land of Lincoln Legal Assistance Foundation, Inc. at 1-618-462-0168 or call the Illinois Relay number toll free at 1-800-526-0844.)



How do I get more information about the Medical Assistance spend-down program or other DHS programs?

Call or visit your local DHS office. A caseworker at the local office will answer the questions you have. If you do not know where your local DHS office is or are unable to go there, call:

Illinois Department of Human Services
Office of the Ombudsperson
TOLL FREE
1-800-252-8635 (voice)
Monday - Friday
(except state holidays)
7:30 a.m. - 7:00 p.m.

Persons using a teletypewriter (TTY) can call toll free at 1-800-447-6404.

For answers to your questions, you also may write:

Illinois Department of Human Services
Office of the Ombudsperson
100 South Grand Avenue, East
Springfield, Illinois 62762

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